

February 12, 2012

Postal Regulatory Commission
Suite 200
901 New York Avenue NW
Washington, D.C. 20268-0001

Re: Ashton, IA 51232, Post Office, Docket Number A2012-097

To whom it may concern:

Attached is additional documentation and evidence in regards to the Ashton, Iowa, 51232, Post Office. This additional documentation is supplied to not only reiterate and reinforce the information provided in my original appeal that was filed on December 9, 2011 and in my Participant Statement (Form 61) that was filed on January 13, 2012 as Document #79600, but to also rebut the statements made by the United States Postal Service in the Comments Regarding Appeal filed on February 2, 2012 as Document #80220.

Please admit these final, closing comments as part of the record in this appeal and utilize this information in making your final determination in this case. I believe you will find that the evidence presented over the last months is credible and I ask that you remand this case back to the United States Postal Service.

As always, I welcome any and all questions pertaining to the documentation provided or on any other questions that may arise in making your decision.

Sincerely,



Brian D. Mino
President / CEO

BDM/bdm
Attachment

Cc: U.S. Senator Charles Grassley
U.S. Senator Thomas Harkin
U.S. Congressman Steve King
Iowa State Senator David Johnson
Iowa State Representative Royd Chambers
T.J. Sexton
Mark J. Sexton

To: Postal Regulatory Commission, Washington, D.C. 20268-0001

From: Brian D. Mino, Petitioner

Re: Ashton Post Office, Ashton, IA 51232, Docket #A2012-097

On February 2, 2012, the United States Postal Service (USPS) filed comments with your office in regard to appeals of a number of patrons of the Ashton, Iowa 51232 Post Office. Within these comments, the USPS made various statements rebutting the claims submitted by Brian D. Mino, President / CEO of the Ashton State Bank. Within this appeal, I will further solidify my position that the USPS has handled the analysis to close the Ashton Post Office in a manner that overestimates the savings that would be realized by the USPS, underestimates the effect on the patrons of the Ashton Post Office and their dealings with the Ashton State Bank and other patrons were not handled correctly. These items will be enumerated in order based upon the USPS's response with Page Number referring to their filing of 2/2/2012 with an ID of 80220.

On Page 2 within Footnote #3, the USPS asserts that the reasons for closing the Ashton Post Office are postmaster vacancy, minimal workload, low office revenue, the variety of delivery and retail options and the expected financial savings. The following comments will rebut their assertions in a couple of areas.

Postmaster Vacancy: The Postmaster position has been vacant since August 9, 2006 as stated by the USPS. There are various things that the USPS fails to bring to the attention of the commission concerning this vacancy. The Ashton Post Office was emergency suspended in early 2005 as a result of an environmental problem within the then existing facility. At the discretion of the USPS, they elected to not follow their plan for emergency relocation and move to the Ashton Legion Hall until a suitable replacement facility could be located. Instead, they physically moved the post office to Sheldon, Iowa, 10 miles away and forced all box holders to drive to Sheldon to obtain their mail. In addition to this, the Rural Carrier that had always been dispatched out of the Ashton Post Office was relocated to Sibley, Iowa. The patrons of Ashton were successful in securing a location to house the USPS operations after a period of negotiation with USPS Officials, however, the Rural Carrier was never moved back to Ashton, the Postmaster was reassigned to the Okoboji, Iowa Post Office and the office was downgraded to a lower level. With the exception of the initial environmental problem, all of the above items were the result of decisions made by USPS Officials and the cause of the Postmaster vacancy. The residents of Ashton were then told there was a moratorium on hiring within the USPS and that the Postmaster position could not be filled. Based upon these facts, the continued vacancy within the Postmaster position was caused by the USPS and should not be considered as a permissible argument for closing the Ashton Post Office.

Low Office Revenue: The USPS has stated the office revenue was \$36,534 in 2008, \$31,557 in FY2009 and \$31,612 in FY 2010. These may be low by USPS standards, but the office was operated with shortened window hours, had an affordable lease and was staffed by a low cost employee that should have allowed for the post office to make a profit. Furthermore, the income for the Ashton Post Office was probably negatively affected by the essentially self-inflicted vacancy in the Postmaster position and the reduced retail window hours, both which are a result of the decisions made by the USPS in 2005 and 2006.

Expected Financial Savings: The USPS uses a Postmaster wage of \$33,168 plus benefits of \$11,111 for a total employee cost of \$44,279. The USPS has been staffing the Ashton Post Office with a noncareer Officer-in-Charge (OIC) since the USPS caused the vacancy in the Postmaster position in 2006. The Ashton community has successfully adapted to the reduced retail window hours and the level of service provided by the USPS and is not demanding that the Postmaster position be filled. Based upon the fact that the USPS has been successful in staffing the Ashton Post Office with a much lower cost employee for over 5 years, it should be concluded that they could continue to staff the Ashton Post Office with a much lower cost employee and thereby continuing the same postal service to the community of Ashton.

In the same Footnote at the bottom of Page 2, the USPS states there is no expected population, residential, commercial or business growth in the area. Ashton and Osceola County, Iowa are no different than most rural areas with continued declines in population. However, Ashton is located along Iowa Hwy. 60 which was recently expanded to 4 lanes to allow for a shorter route from Omaha, NE to the Minneapolis, St. Paul, MN metro area as the route runs diagonally from Sioux City, IA to Worthington, MN, which reduces mileage considerably for all highway traffic. This increased highway exposure makes Ashton a prospect for increased business growth along the highway, which would in turn, increase USPS revenue at the Ashton Post Office. At the time of the emergency suspension, there was a project in process to erect a convenience store along the new highway to add services to Ashton and increase appeal for existing and prospective residents. Once the post office was suspended, investor support for the project waned and the project has yet to become a reality. Thus, the USPS statement may be considered a direct result of their actions since 2005. Furthermore, the initial closure and continued temporary nature of the service provided along with the latest threat of closure may actually be impeding business development and expansion in Ashton.

In the first paragraph on Page 3, the USPS wrongly states there are "no postage meter customers." The Ashton State Bank has always had a postage meter and still does today.

In Footnote 8 at the bottom of Page 3 and continuing at the bottom of Page 4, the new lease negotiated between landlord and USPS is discussed. In their comments, USPS is critical of statements made by petitioner concerning implied continuance of the Ashton Post Office by USPS Officials. USPS goes on to say that the lease was negotiated with a 5 year term, but containing a 60 day termination clause and said lease was effective after the Proposal to Close was posted. Is it not derelict on the part of USPS to negotiate a lease of this length knowing full well they intended to close the Ashton Post Office? Or, was it possibly to improve their position to actually terminate the lease upon the final decision to close the Ashton Post Office. Without access to previous leases, one can not make this determination, but it certainly brings the actions of USPS into question.

On Page 6 in the footnotes it states: "Furthermore, there is no indication that the business community will be adversely affected." Brian Mino, President / CEO of the Ashton State Bank has repeatedly brought to the attention of Kent Gochenour, Post Office Operations Manager; Gail Duba, USPS Hawkeye District Manager; and Joni Martin, USPS Consumer Affairs Manager that one time per day mail service will not work and will cost the Ashton State Bank around \$4,000.00 annually in additional expense to transport time-sensitive mail to the post office in Sibley, Iowa.

Additionally, in the second paragraph on Page 7, it is stated "The record show that the Postal Service thoughtfully concluded that it will be able to continue providing effective and regular postal services to postal patrons of the Ashton community even after the Ashton Post Office is discontinued." Does "thoughtful conclusion" include sending form letters to Petitioner Mino telling him that a public meeting was held in his community on a given date and ignoring his direct questions? Petitioner Mino and his business is directly negatively affected by this decision and the response provided by both Ms. Duba and Ms. Martin was inadequate and fails to address his concerns and no further consideration was given addressing his problem.

In the last paragraph on Page 7, USPS does try to address the concern of time-sensitive mail. The statements provided do however fall short of solving the problem. USPS states they are trying to adjust the rural route to allow for the latest possible pickup of mail and actually state approximately 3:00 p.m.. There are a few items that USPS fails to address in their pleading. The Ashton State Bank requires that they receive customer mail earlier in the day, be allowed time to process the mail and then provide time-sensitive notices to customers via U.S. Mail yet that day. If the rural route is adjusted to allow for the latest possible pickup time, the Ashton State Bank will then be forced to have a post office box in Sibley to allow for early receipt of mail and proper processing time, before sending the time-sensitive mail at the end of the day. Furthermore, the Ashton State Bank business day ends at 3:00 P.M. and still would not allow for pickup by USPS at 3:00 P.M. as there are batch processes that occur before generating the time-sensitive mail and this is not usually completed before 3:30 P.M. on a daily basis. Based upon this, the processes and remedies being proposed by USPS will still not remedy the problem created by the closure of the Ashton Post Office.

At the top of Page 8, USPS tries to minimize the effects of closing the Ashton Post Office by promoting the hours of the Sibley Post Office. The Ashton Community has adapted to the reduced retail hours provided by USPS and has not been required to travel to the post office in Sibley on a regular basis as the Ashton Post Office window is closed at 11:45 a.m., but there is a blue box outside the post office to allow for collection of outgoing mail until 4:30 p.m.. The Ashton State Bank currently deposits their time-sensitive mail in this blue box and it is then picked up by the route driver that collects outgoing mail from other area post offices.

At the bottom of Page 10, USPS attempts to minimize Petitioner Mino's belief that Ashton should have a post office and that even though previous USPS management proposed building a new post office in Ashton, enough time has passed and these items should be dismissed. Petitioner Mino argues that the decision to move the post office back to Ashton following the emergency suspension, attempts to build a new facility or find a suitable full-time location and the latest contact with Garry Mattux in 2010, who represented the new lease as a safe harbor, and the successful lease negotiation in 2011 are a pattern that show the USPS intention of maintaining postal service in Ashton.

On Page 11, USPS starts a discussion concerning economic savings. They project annual savings by USPS of \$25,974.00. It was earlier discussed that their projections are incorrect as they have shown they can staff the Ashton Post Office with a noncareer employee at a much lower cost. The Ashton State Bank has shown their operations will be negatively affected by an amount of approximately \$4,000.00 annually or 15.40% of the proposed economic savings using the USPS's figures. This should be considered a significant factor and not a minimal impact.

On Page 13, USPS addresses Petitioner Mino's proposal to consider sharing the Postmaster of the Melvin Post Office. The USPS response is "there is no program in place to implement such a proposal on a permanent basis at this time." This statement may be true, but is very much short-sighted. Is the USPS not experiencing huge financial losses? Is the proposal to close the Ashton Post Office not a measure to save expenses? The Ashton Community has been working cooperatively with USPS since 2005 in order to have regular postal services provided at an affordable cost to USPS. The proposal was meant to further enhance savings to USPS and maintain regular postal operations in Ashton. Would it be too much for USPS to consider a trial of the proposal before finalizing the decision to permanently close the Ashton Post Office. Rural communities are continually faced with these types of decisions. Local schools have shared Superintendents, Principals and other administrators as well as implementing whole-grade sharing programs to accommodate reduced budgets and still maintain schools on a local basis. If this program were to work between Ashton and Melvin, could it not be a model for other similar situations? Just because a program does not exist is not an excuse or argument, it only reinforces the USPS lack of insight and their intent of closing the Ashton Post Office without further consideration.

In the second paragraph of Page 14, USPS says that costs borne by customers to travel to other Post Offices are not required to be included in the economic savings. This may be true, but I will reiterate that the Ashton State Bank will incur significant increases in costs which amount to 15.40% of the projected savings and this should be considered as a significant effect on the community if they choose to ignore them in the economic savings section.

The last area is the "Effect on Employees" section on Page 15. USPS states "the noncareer postmaster relief (PMR) may be separated from the Postal Service. I wish to comment on this statement. First, I have reviewed numerous appeals to the Postal Regulatory Commission and have not found any without this statement. My interpretation of a "noncareer" employee is an employee that is paid a lesser amount, provided no benefits and probably not (?) a member of the Postal Employees Union. The above statement may be true, but these same employees have allowed the USPS to enjoy improved profits or reduced losses. These are the employees that are losing their jobs and communities such as Ashton that have sacrificed to have postal services provided at a lesser degree are those losing their post offices.

In conclusion, USPS feels that they have carefully considered the effect of closing the Ashton Post Office and they have concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Ashton community. I disagree for the following reasons:

1. The United States Postal Service has not properly analyzed the effect on the community. The Ashton State Bank will be affected negatively in the amount of \$4,000 annually or an amount equal to 15.40% of the USPS's projected savings. This is just one customer and the rest of the community is affected as well. The attempt of USPS to minimize or rectify this in their brief falls short of fixing the issue as they are still providing 1X per day service that does not solve the problem. Furthermore, the Ashton State Bank has not heard of this proposal and was not consulted to see if it was even feasible.

2. The United States Postal Service has overestimated cost savings to be realized upon closing of the Ashton Post Office. The USPS has shown since 2006 that they have the ability to staff the Ashton Post Office with a noncareer employee that has a much lower wage than a Postmaster and is provided no benefits. This difference in employee costs will minimize or eliminate the projected savings. Furthermore, USPS states they do not have to consider additional costs borne by the customers in this calculation, but these factors should be utilized in arriving at a final determination.
3. The United States Postal Service uses the vacant Postmaster position as a reason. The vacancy in the Postmaster position was created when USPS reassigned the Postmaster to Okoboji, IA and then failed to replace due to an internal hiring freeze. This situation was not attributable to the Ashton Post Office, but to USPS management and policies and should not be used as a factor.
4. The United States Postal Service has concluded that after the discontinuance, they will continue to provide effective and regular service to Ashton customers. This is not true as the Ashton State Bank can not provide the same level of service to their customers without incurring more expense. Furthermore, if the rural carrier route were adjusted as proposed by USPS, the Ashton State Bank would have to travel to pick up the mail earlier in the day and would also have to shorten their business day to accommodate the 3:00 p.m. pickup proposed by USPS.
5. The United States Postal Service has shown an ongoing pattern of a desire to work with the Ashton Community and provide regular postal service to the residents through the continuance of a local post office. In return, the Ashton community has shown a willingness to adapt to reduced retail hours and welcomes continued service on a limited basis.

I have given a number of reasons why the United States Postal Service is incorrect in their analysis. I appeal to your knowledge and common sense to see that their analysis was weighted toward cost savings only and little, if any, consideration was given to the effect on the community and the employees that have allowed the Ashton Post Office to operate profitably in recent years even with reduced revenues.

Ashton State Bank

A handwritten signature in cursive script, reading "Brian D. Mino".

Brian D. Mino
President / CEO